IN THE MATTER OF THE APPLICATION OF HOWELL PETROLEUM CORPORATION TO DESIGNATE A PORTION OF SECTION 34, T9S-R23E, CARBON COUNTY, MONTANA, AS A PERMANENT SPACING UNIT FOR PRODUCTION OF OIL AND ASSOCIATED GAS FROM THE FRONTIER FORMATION AND TO DESIGNATE THE USA #34-1 OIL AND GAS WELL AS THE PERMITTED WELL FOR SAID PERMANENT SPACING UNIT. [ELK BASIN FIELD]

ORDER NO. 1-2002

Docket No. 7-2002

### Report of the Board

The above entitled cause came on regularly for hearing on the 7th day of February, 2002, in the Billings Petroleum Club, Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

### Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application in the manner hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

### <u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that a ten-acre tract consisting of the SWSWNESE; SESENWSE; NENESWSE; and NWNWSESE of Section 34, T9S-R23E, Carbon County, Montana, is designated as a permanent spacing unit for production of oil and associated gas from the Frontier Formation and it is further ordered that applicant's USA #34-1 well with a bottom-hole location of 1300' FSL and 1384' FEL of said Section 34 is designated as the permitted well for said permanent spacing unit.

### BOARD ORDER NO. 1-2002

Terri H. Perrigo, Executive Secretary

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 7th day of February, 2002.

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
ATTEST:	Elaine Mitchell, Board Member
	Gary Willis, Board Member

ORDER NO. 2-2002

IN THE MATTER OF THE APPLICATION OF HEADINGTON OIL, LIMITED PARTNERSHIP TO DESIGNATE THE W ½ OF SECTION 5 AND THE E½ OF SECTION 6, T23N-R58E, RICHLAND COUNTY, MONTANA, AS A FIELD AND PERMANENT SPACING UNIT FOR PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN FORMATION AND DESIGNATING APPLICANT'S DYNNESON #11X-5H WELL AS THE ONLY PERMITTED WELL FOR SAID SPACING UNIT. [BRORSON FIELD]

Docket No. 8-2002

### Report of the Board

The above entitled cause came on regularly for hearing on the 7th day of February, 2002, in the Billings Petroleum Club, Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

### Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

### <u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Headington Oil, Limited Partnership is granted as applied for.

### BOARD ORDER NO. 2-2002

Terri H. Perrigo, Executive Secretary

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 7th day of February, 2002.

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	Gary Willis, Board Member
	Gary Willis, Doald Mellioei

IN THE MATTER OF THE APPLICATION OF LYCO ENERGY CORPORATION TO DELINEATE ALL OF SECTION 13, T24N-R55E, RICHLAND COUNTY, MONTANA, AS A FIELD AND PERMANENT SPACING UNIT FOR PRODUCTION OF OIL AND NATURAL GAS FROM THE BAKKEN FORMATION AND AUTHORIZING UP TO TWO HORIZONTAL WELLS TO BE LOCATED ANYWHERE WITHIN SAID SPACING UNIT BUT NOT CLOSER THAN 660 FEET TO THE SPACING UNIT BOUNDARIES.

Docket No. 9-2002

### Report of the Board

The above entitled cause came on regularly for hearing on the 7th day of February, 2002, in the Billings Petroleum Club, Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

### Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application in the manner hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

### Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Lyco Energy Corporation is granted as applied for.

ORDER NO. 3-2002

### BOARD ORDER NO. 3-2002

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 7th day of February, 2002.

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	
	Gary Willis, Board Member
Torri H. Dorrigo Francisco Constant	
Terri H. Perrigo, Executive Secretary	

ORDER NO. 4-2002

IN THE MATTER OF THE APPLICATION OF LYCO ENERGY CORPORATION TO DELINEATE ALL OF SECTION 30, T24N-R57E, RICHLAND COUNTY, MONTANA, AS A FIELD AND PERMANENT SPACING UNIT FOR PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN FORMATION AND AUTHORIZING UP TO TWO HORIZONTAL WELLS TO BE LOCATED ANYWHERE WITHIN SAID SPACING UNIT BUT NOT CLOSER THAN 660 FEET TO THE SPACING UNIT BOUNDARIES.

Docket No. 10-2002

### Report of the Board

The above entitled cause came on regularly for hearing on the 7th day of February, 2002, in the Billings Petroleum Club, Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

### Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. Conrad Pederson, a mineral owner in the E½ of the subject Section where a well has already been drilled, appeared in opposition to the application. The Bakken Formation is characterized by low permeability and porosity and typical Bakken wells recover only 5 percent of the oil in place.
- 3. Applicant is proceeding rapidly with the orderly development of this field with a view toward unitization and one or more secondary recovery projects. Maintenance of an appropriate pattern is essential to the ultimate success of any secondary recovery operation.
- 4. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana. The Board is confident that Mr. Pederson's interests will ultimately benefit.

### Order

BOARD OF OIL AND GAS CONSERVATION

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Lyco Energy Corporation is granted as applied for.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 7th day of February, 2002.

	OF THE STATE OF MONTANA
	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
ATTEST:	Elaine Mitchell, Board Member
	Gary Willis, Board Member
Terri H. Perrigo. Executive Secretary	

IN THE MATTER OF THE APPLICATION OF LYCO ENERGY CORPORATION TO DELINEATE THE SW¼ OF SECTION 36, T25N-R54E, AND LOTS 1, 2, 3, 4, S½S½ OF SECTION 5, T24N-R55E, RICHLAND COUNTY, MONTANA, AS A FIELD AND PERMANENT SPACING UNIT FOR PRODUCTION OF OIL AND ASSOCIATED NATURAL GAS FROM THE BAKKEN FORMATION AND DESIGNATING THE BURNING TREE-VAIRA #5-2-H WELL AS THE ONLY AUTHORIZED WELL FOR SAID SPACING UNIT. [SPRING LAKE (BAKKEN) FIELD]

ORDER NO. 5-2002

Docket No. 11-2002

### Report of the Board

The above entitled cause came on regularly for hearing on the 7th day of February, 2002, in the Billings Petroleum Club, Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

### Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application in the manner hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

### Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Lyco Energy Corporation is granted as applied for.

### BOARD ORDER NO. 5-2002

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 7th day of February, 2002.

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	Gary Willis, Board Member

IN THE MATTER OF THE APPLICATION OF OCEAN ENERGY, INC. TO DRILL AN EAGLE-VIRGELLE FORMATION GAS WELL 457' FWL AND 2596' FSL OF SECTION 35, T32N-R19E, BLAINE COUNTY, MONTANA, AS AN EXCEPTION TO BOARD ORDER 23-54. [BOWES FIELD]

ORDER NO. 6-2002

Docket No. 21-2002

### Report of the Board

The above entitled cause came on regularly for hearing on the 7th day of February, 2002, in the Billings Petroleum Club, Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

### Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

### Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Ocean Energy, Inc. is authorized to drill an Eagle-Virgelle Formation gas well 457' FWL and 2596' FSL of Section 35, T32N-R19E, Blaine County, Montana, as an exception to Board Order 23-54.

### BOARD ORDER NO. 6-2002

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 7th day of February, 2002.

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	
	Gary Willis, Board Member
Terri H. Perrigo, Executive Secretary	

IN THE MATTER OF THE APPLICATION OF OCEAN ENERGY, INC. TO DRILL AN ADDITIONAL EAGLE SAND FORMATION GAS WELL 2326' FSL AND 1541' FWL OF SECTION 1, T26N-R17E, BLAINE COUNTY, AS AN EXCEPTION TO A.R.M. 36.22.702.

ORDER NO. 7-2002

Docket No. 22-2002

### Report of the Board

The above entitled cause came on regularly for hearing on the 7th day of February, 2002, in the Billings Petroleum Club, Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

### Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

### Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Ocean Energy, Inc. is authorized to drill an additional Eagle Sand Formation gas well 2326' FSL and 1541' FWL of Section 1, T26N-R17E, Blaine County, Montana, as an exception to A.R.M. 36.22.702.

### BOARD ORDER NO. 7-2002

Terri H. Perrigo, Executive Secretary

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 7th day of February, 2002.

BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA

# David Ballard, Chairman Denzil Young, Vice-Chairman Jerry Kennedy, Board Member Jack King, Board Member Allen Kolstad, Board Member Elaine Mitchell, Board Member

Gary Willis, Board Member

IN THE MATTER OF THE APPLICATION OF OCEAN ENERGY, INC. TO DRILL AN EAGLE FORMATION GAS WELL 1645' FNL AND 435' FEL OF SECTION 14, T27N-R18E, BLAINE COUNTY, MONTANA, WITH A 75 FOOT TOLERANCE FOR TOPOGRAPHIC REASONS AS AN EXCEPTION TO BOARD ORDERS 45-76 AND 22-99. [SAWTOOTH MOUNTAIN FIELD]

ORDER NO. 8-2002

Docket No. 23-2002

### Report of the Board

The above entitled cause came on regularly for hearing on the 7th day of February, 2002, in the Billings Petroleum Club, Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

### Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application in the manner hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

### <u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Ocean Energy, Inc. is granted as applied for.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 7th day of February, 2002.

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
	Gary Willis, Board Member
ATTEST:	
Terri H. Perrigo. Executive Secretary	

ORDER NO. 9-2002

IN THE MATTER OF THE APPLICATION OF OCEAN ENERGY, INC. TO DRILL AN EAGLE FORMATION GAS WELL 97' FNL AND 726' FEL OF SECTION 14, T27N-R18E, BLAINE COUNTY, MONTANA, AS AN EXCEPTION TO BOARD ORDERS 45-76 AND 22-99. [SAWTOOTH MOUNTAIN FIELD]

Docket No. 24-2002

### Report of the Board

The above entitled cause came on regularly for hearing on the 7th day of February, 2002, in the Billings Petroleum Club, Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

### Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

### Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the Ocean Energy, Inc. is authorized to drill an Eagle Formation gas well 97' FNL and 726' FEL of Section 14, T27N-R18E, Blaine County, Montana, as an exception to Board Orders 45-76 and 22-99.

IT IS FURTHER ORDERED that royalties on production from the well here authorized shall not be disbursed until the mineral owners of Section 11 agree on the appropriate disposition of royalties. Should they fail to do so within ninety (90) days of commencement of production from said well, Ocean Energy, Inc. shall apply to the Board for appropriate relief.

### BOARD ORDER NO. 9-2002

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 7th day of February, 2002.

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
	Gary Willis, Board Member
ATTEST:	
Terri H. Perrigo, Executive Secretary	_

IN THE MATTER OF THE APPLICATION OF OCEAN ENERGY, INC. TO DRILL AN EAGLE FORMATION GAS WELL 670' FWL AND 1000' FNL OF SECTION 25, T31N-R14E, HILL COUNTY, MONTANA, AS AN EXCEPTION TO BOARD ORDER 41-72. [BULLHOOK UNIT, TIGER RIDGE FIELD]

Docket No. 25-2002

ORDER NO. 10-2002

### Report of the Board

The above entitled cause came on regularly for hearing on the 7th day of February, 2002, in the Billings Petroleum Club, Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

### Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. Granting the application in the manner hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

### Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Ocean Energy, Inc. is authorized to drill an Eagle Formation gas well 664' FWL and 997' FNL of Section 25, T31N-R14E, Hill County, Montana, with a 100 foot topographic tolerance as an exception to Board Order 41-72.

### BOARD ORDER NO. 10-2002

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 7th day of February, 2002.

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	Gary Willis, Board Member

IN THE MATTER OF THE APPLICATION OF OCEAN ENERGY, INC. TO DRILL AN EAGLE SAND FORMATION GAS WELL 728' FWL AND 430' FSL OF SECTION 27, T30N-R15E, HILL COUNTY, MONTANA, AS AN EXCEPTION TO BOARD ORDER 41-72. [BULLHOOK UNIT, TIGER RIDGE FIELD]

Docket No. 26-2002

ORDER NO. 11-2002

### Report of the Board

The above entitled cause came on regularly for hearing on the 7th day of February, 2002, in the Billings Petroleum Club, Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. Board member Jack King recused himself. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

### Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application in the manner hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

### Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that Ocean Energy, Inc. is authorized to drill an Eagle Sand Formation gas well 728' FWL and 430' FSL of Section 27, T30N-R15E, Hill County, Montana, as an exception to Board Order 41-72.

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 7th day of February, 2002.

	David Ballard, Chairman
	Denzil Young, Vice Chairman
	Jerry Kennedy, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
EST:	Gary Willis, Board Member
errigo, Executive Secretary	

IN THE MATTER OF THE APPLICATION OF OCEAN ENERGY, INC. TO DRILL AN ADDITIONAL EAGLE SAND FORMATION GAS WELL 528' FNL AND 278' FEL OF SECTION 33, T30N-R15E, HILL COUNTY, MONTANA, WITH A 75 FOOT TOLERANCE FOR TOPOGRAPHIC REASONS.

Docket No. 27-2002 AND 3-2002 FED

### Report of the Board

The above entitled cause came on regularly for hearing on the 7th day of February, 2002, in the Billings Petroleum Club, Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

### Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application in the manner hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

### Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Ocean Energy, Inc. is granted as applied for.

IT IS FURTHER ORDERED that applicant apply for permanent spacing within ninety (90) days of completion of a successful well.

ORDER NO. 12-2002

### BOARD ORDER 12-2002

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 7th day of February, 2002.

David Ballard, Chairman
Denzil Young, Vice Chairman
Jerry Kennedy, Board Member
Allen Kolstad, Board Member
Elaine Mitchell, Board Member
Gary Willis, Board Member

ORDER NO. 13-2002

IN THE MATTER OF THE APPLICATION OF NANCE PETROLEUM CORPORATION TO DESIGNATE THE S ½ OF SECTION 11, T33N-R58E, SHERIDAN COUNTY, MONTANA, AS A 320 ACRE PERMANENT SPACING UNIT FOR THE GUNTON AND STONEWALL FORMATIONS AND TO DESIGNATE THE SORENSEN #16-11 WELL AS THE PERMITTED WELL WITHIN SAID SPACING UNIT AND TO PERMIT COMMINGLING FROM THE RED RIVER, GUNTON AND STONEWALL FORMATIONS IN THE SORENSEN #16-11 WELL. [BRUSH LAKE FIELD]

Docket No. 28-2002

### Report of the Board

The above entitled cause came on regularly for hearing on the 7th day of February, 2002, in the Billings Petroleum Club, Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

### Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application in the manner hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

### <u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Nance Petroleum Corporation is granted as applied for.

### BOARD ORDER NO. 13-2002

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 7th day of February, 2002.

	David Ballard, Chairman
	Denzil Young, Vice Chairman
	Denzh Toung, vice Chanman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	Gary Willis, Board Member
Terri H. Perrigo, Executive Secretary	

IN THE MATTER OF THE APPLICATION OF NANCE PETROLEUM CORPORATION TO DESIGNATE THE SW¼ OF SECTION 33, T24N-R58E, RICHLAND COUNTY, MONTANA, AS A 160 ACRE PERMANENT SPACING UNIT FOR THE STONEWALL FORMATION AND TO DESIGNATE THE EINER JENSEN #1 WELL AS THE PERMITTED WELL IN SAID SPACING UNIT. [BRORSON FIELD]

Docket No. 29-2002

### Report of the Board

The above entitled cause came on regularly for hearing on the 7th day of February, 2002, in the Billings Petroleum Club, Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

### Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application in the manner hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

### Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Nance Petroleum Corporation is granted as applied for.

ORDER NO. 14-2002

### BOARD ORDER NO. 14-2002

ATTEST:

Terri H. Perrigo, Executive Secretary

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 7th day of February, 2002.

# David Ballard, Chairman Denzil Young, Vice-Chairman Jerry Kennedy, Board Member Jack King, Board Member Allen Kolstad, Board Member Elaine Mitchell, Board Member

IN THE MATTER OF THE APPLICATION OF KLABZUBA OIL & GAS, INC. TO DRILL AN ADDITIONAL EAGLE SAND FORMATION GAS WELL IN SECTION 33, T36N-R16E, HILL COUNTY, MONTANA, 1450' FSL AND 2750' FWL OF SAID SECTION 33 WITH A 100 FOOT TOLERANCE FOR TOPOGRAPHIC REASONS AS AN EXCEPTION TO A.R.M. 36.22.702.

Docket No. 31-2002

### Report of the Board

The above entitled cause came on regularly for hearing on the 7th day of February, 2002, in the Billings Petroleum Club, Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

### Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application as hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

### <u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Klabzuba Oil & Gas, Inc. is granted as applied for.

ORDER NO. 15-2002

### BOARD ORDER NO. 15-2002

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 7th day of February, 2002.

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
TTEST:	
	Gary Willis, Board Member

ORDER NO. 16-2002

IN THE MATTER OF THE APPLICATION OF KLABZUBA OIL & GAS, INC. TO DRILL ITS MUD LAKE FARMS #33-36-16C WELL 360' FSL AND 2300' FEL OF SECTION 33, T36N-R16E, HILL COUNTY, MONTANA, AS AN ADDITIONAL EAGEL FORMATION GAS WELL WITHIN SAID SECTION 33 WITH A 100 FOOT TOLERANCE FOR TOPOGRAPHIC REASONS AS AN EXCEPTION TO A.R.M. 36.22.702.

Docket No. 32-2002

### Report of the Board

The above entitled cause came on regularly for hearing on the 7th day of February, 2002, in the Billings Petroleum Club, Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

### Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

### Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Klabzuba Oil & Gas, Inc. is granted as applied for.

### BOARD ORDER NO. 16-2002

Terri H. Perrigo, Executive Secretary

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 7th day of February, 2002.

BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA

# David Ballard, Chairman Denzil Young, Vice-Chairman Jerry Kennedy, Board Member Jack King, Board Member Allen Kolstad, Board Member Elaine Mitchell, Board Member ATTEST:

ORDER NO. 17-2002

IN THE MATTER OF THE APPLICATION OF KLABZUBA OIL & GAS, INC. TO DRILL ITS STATE #16-26-16C WELL AS AN ADDITIONAL EAGLE FORMATION GAS WELL TO BE LOCATED ANYWHERE WITHIN SECTION 16, T26N-R16E, CHOUTEAU COUNTY, MONTANA, BUT NOT CLOSER THAN 990 FEET TO THE SPACING UNIT BOUNDARY WITH A 100 FOOT TOLERANCE IN ANY DIRECTION FOR TOPOGRAPHIC REASONS AS AN EXCEPTION TO A.R.M. 36.22.702.

Docket No. 33-2002

### Report of the Board

The above entitled cause came on regularly for hearing on the 7th day of February, 2002, in the Billings Petroleum Club, Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place, testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

### Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application in the manner hereinafter set forth will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

### Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Klabzuba Oil & Gas, Inc. is granted as applied for.

### BOARD ORDER NO. 17-2002

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 7th day of February, 2002.

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	
	Gary Willis, Board Member
Terri H. Perrigo, Executive Secretary	

ORDER NO. 18-2002

IN THE MATTER OF THE APPLICATION OF KLABZUBA OIL & GAS, INC. TO DRILL AN ADDITIONAL EAGLE SAND GAS WELL ANYWHERE WITHIN SECTION 10, T26N-R16E, CHOUTEAU COUNTY, MONTANA, BUT NOT CLOSER THAN 990 FEET TO THE SPACING UNIT BOUNDARY WITH A 100 FOOT TOLERANCE IN ANY DIRECTION FOR TOPOGRAPHIC REASONS AS AN EXCEPTION TO A.R.M. 36.22.702.

Docket No. 34-2002

### Report of the Board

The above entitled cause came on regularly for hearing on the 7th day of February, 2002, in the Billings Petroleum Club, Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

### Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

### Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Klabzuba Oil & Gas, Inc. is granted as applied for.

### BOARD ORDER NO. 18-2002

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 7th day of February, 2002.

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	
	Gary Willis, Board Member
Terri H. Perrigo, Executive Secretary	

ORDER NO. 19-2002

IN THE MATTER OF THE APPLICATION OF KLABZUBA OIL & GAS, INC. TO DRILL AN ADDITIONAL EAGLE SAND FORMATION GAS WELL IN SECTION 10, T26N-R16E, CHOUTEAU COUNTY, MONTANA, ANYWHERE WITHIN SAID SECTION BUT NOT CLOSER THAN 990 FEET TO THE SPACING UNIT BOUNDARY WITH A 100 FOOT TOPOGRAPHIC TOLERANCE AS AN EXCEPTION TO A.R.M. 36.22.702.

Docket No. 35-2002

#### Report of the Board

The above entitled cause came on regularly for hearing on the 7th day of February, 2002, in the Billings Petroleum Club, Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

## Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

#### <u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Klabzuba Oil & Gas, Inc. is granted as applied for.

## BOARD ORDER NO. 19-2002

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 7th day of February, 2002.

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	G Will B IM I
	Gary Willis, Board Member
Ferri H. Perrigo, Executive Secretary	

ORDER NO. 20-2002

IN THE MATTER OF THE APPLICATION OF KLABZUBA OIL & GAS, INC. TO DRILL AN ADDITIONAL EAGLE SAND FORMATION GAS WELL ANYWHERE WITHIN SECTION 15, T26N-R16E, CHOUTEAU COUNTY, MONTANA, BUT NOT CLOSER THAN 990 FEET TO THE SPACING UNIT BOUNDARY WITH A 100 FOOT TOLERANCE IN ANY DIRECTION FOR TOPOGRAPHIC REASONS AS AN EXCEPTION TO A.R.M. 36.22.702.

Docket No. 36-2002

#### Report of the Board

The above entitled cause came on regularly for hearing on the 7th day of February, 2002, in the Billings Petroleum Club, Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

#### Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

#### Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Klabzuba Oil & Gas, Inc. is granted as applied for.

### BOARD ORDER NO. 20-2002

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 7th day of February, 2002.

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	<b>3</b> ,
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	
	Gary Willis, Board Member
Cerri H. Perrigo. Executive Secretary	

ORDER NO. 21-2002

IN THE MATTER OF THE APPLICATION OF KLABZUBA OIL & GAS, INC. TO DRILL AN ADDITIONAL EAGLE SAND FORMATION GAS WELL ANYWHERE WITHIN SECTION 15, T26N-R16E, CHOUTEAU COUNTY, MONTANA, BUT NOT CLOSER THAN 990 FEET TO THE SPACING UNIT BOUNDARY WITH A 100 FOOT TOPOGRAPHIC TOLERANCE AS AN EXCEPTION TO A.R.M. 36.22.702.

Docket No. 37-2002

#### Report of the Board

The above entitled cause came on regularly for hearing on the 7th day of February, 2002, in the Billings Petroleum Club, Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

## Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

#### Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Klabzuba Oil & Gas, Inc. is granted as applied for.

## BOARD ORDER NO. 21-2002

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 7th day of February, 2002.

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	
	Gary Willis, Board Member
Геггі H. Perrigo, Executive Secretary	

ORDER NO. 22-2002

IN THE MATTER OF THE APPLICATION OF KLABZUBA OIL & GAS, INC. TO DESIGNATE THE S ½ OF SECTION 25, T35N-R19E, BLAINE COUNTY, MONTANA, AS A TEMPORARY SPACING UNIT FOR EAGLE SAND FORMATION PRODUCTION AND TO DRILL AN EAGLE SAND FORMATION GAS WELL 500' FWL AND 1100' FSL OF SAID SECTION 25 WITH A 75 FOOT TOPOGRAPHIC TOLERANCE AS AN EXCEPTION TO A.R.M. 36.22.702.

Docket No. 38-2002

#### Report of the Board

The above entitled cause came on regularly for hearing on the 7th day of February, 2002, in the Billings Petroleum Club, Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

#### Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

#### <u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Klabzuba Oil & Gas, Inc. is granted as applied for.

IT IS FURTHER ORDERED that applicant apply for permanent spacing within 90 (ninety) days of completion of a successful well in said temporary spacing unit.

## BOARD ORDER NO. 22-2002

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 7th day of February, 2002.

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	Gary Willis Roard Mambar
	Gary Willis, Board Member
Ferri H. Perrigo, Executive Secretary	

IN THE MATTER OF THE APPLICATION OF
KLABZUBA OIL & GAS, INC. TO DESIGNATE THE
E½ OF SECTION 8 AND THE W½ OF SECTION 9,
T35N-R16E, HILL COUNTY, MONTANA, AS A
TEMPORARY SPACING UNIT FOR EAGLE SAND
PRODUCTION AND TO DRILL AN EAGLE SAND

FORMATION GAS WELL 1860' FNL AND 1225' FEL OF SAID SECTION 8 WITH A 75 FOOT TOPOGRAPHIC

TOLERANCE.

Docket No. 39-2002

### Report of the Board

The above entitled cause came on regularly for hearing on the 7th day of February, 2002, in the Billings Petroleum Club, Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

#### Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

### <u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of Klabzuba Oil & Gas, Inc. is granted as applied for.

IT IS FURTHER ORDERED that applicant apply for permanent spacing within 90 (ninety) days of completion of a successful well within said spacing unit.

ORDER NO. 23-2002

## BOARD ORDER NO. 23-2002

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 7th day of February, 2002.

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jerry Reinledy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	
	Gary Willis, Board Member
Terri H. Perrigo, Executive Secretary	

ORDER NO. 24-2002

IN THE MATTER OF THE APPLICATION OF
J. BURNS BROWN OPERATING COMPANY TO
DRILL AN EAGLE FORMATION GAS WELL IN
A 640 ACRE TEMPORARY SPACING UNIT CONSISTING
OF THE W½ OF SECTION 4 AND THE E½ OF SECTION 5,
T34N-R19E, BLAINE COUNTY, MONTANA, AT A LOCATION
NOT LESS THAN 990 FEET FROM THE EXTERIOR BOUNDARIES
OF SAID TEMPORARY SPACING UNIT AND DESIGNATING
THE E½ OF SECTION 4, T34N-R19E AND THE W½ OF SECTION 5,
T34N-R19E, AS 320 ACRE TEMPORARY SPACING UNITS FOR
THE EAGLE FORMATION AS EXCEPTIONS TO A.R.M. 36.22,702.

Docket No. 40-2002

#### Report of the Board

The above entitled cause came on regularly for hearing on the 7th day of February, 2002, in the Billings Petroleum Club, Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

#### Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

#### Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the W½ of Section 4 and the E½ of Section 5, T34N-R19E, Blaine County, Montana, are designated as a 640-acre temporary spacing unit for the Eagle Formation and applicant may drill a well anywhere in said temporary spacing unit not closer than 990 feet to the external boundaries thereof.

IT IS FURTHER ORDERED that the  $E\frac{1}{2}$  of Section 4 and the  $W\frac{1}{2}$  of Section 5 are each designated as 320-acre temporary spacing units for the Eagle Formation and applicant may drill a well in each said temporary spacing unit not closer than 660 feet to the external boundaries of each temporary spacing unit.

IT IS FURTHER ORDERED that a federal communitization agreement for spacing units which contain both federal and non-federal land shall be submitted to the authorized officer of the Bureau of Land Management prior to or upon completion of a producible well.

IT IS FURTHER ORDERED that applicant apply for permanent spacing within ninety (90) days of completion of a successful well in each of said temporary spacing units.

## BOARD ORDER NO. 24-2002

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 7th day of February, 2002.

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	
	Gary Willis, Board Member
Terri H. Perrigo, Executive Secretary	

ORDER NO. 25-2002

IN THE MATTER OF THE APPLICATION OF J. BURNS BROWN OPERATING COMPANY TO DRILL AN EAGLE FORMATION GAS WELL IN A TEMPORARY SPACING UNIT CONSISTING OF THE N½ OF SECTION 6, T34N-R19E, AT A LOCATION NOT LESS THAN 660 FEET FROM THE EXTERIOR BOUNDARIES OF SAID TEMPORARY SPACING UNIT AS AN EXCEPTION TO A.R.M. 36.22.702.

Docket No. 41-2002

#### Report of the Board

The above entitled cause came on regularly for hearing on the 7th day of February, 2002, in the Billings Petroleum Club, Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

#### Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

### <u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of J. Burns Brown Operating Company is granted as applied for.

IT IS FURTHER ORDERED that applicant apply for permanent spacing within 90 (ninety) days of completion of a successful well within said spacing unit.

## BOARD ORDER NO. 25-2002

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 7th day of February, 2002.

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	Gary Willis, Board Member
	Gary Willis, Board Member
Terri H. Perrigo, Executive Secretary	_

ORDER NO. 26-2002

IN THE MATTER OF THE APPLICATION OF
J. BURNS BROWN OPERATING COMPANY TO
DRILL AN EAGLE FORMATION GAS WELL IN
A 640 ACRE TEMPORARY SPACING UNIT CONSISTING
OF THE W½ OF SECTION 17 AND THE E½ OF SECTION 18,
T34N-R19E, BLAINE COUNTY, MONTANA, AT A LOCATION
500' FSL AND 300' FEL OF SAID SECTION 18 AND ALSO
DESIGNATING THE E½ OF SECTION 17, T34N-R19E AND THE
W½ OF SECTION 18, T34N-R19E AS 320 ACRE TEMPORARY
SPACING UNITS FOR THE EAGLE FORMATION AS
EXCEPTIONS TO A.R.M. 36.22.702.

Docket No. 42-2002

#### Report of the Board

The above entitled cause came on regularly for hearing on the 7th day of February, 2002, in the Billings Petroleum Club, Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

#### Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

#### Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the W½ of Section 17 and the E½ of Section 18, T34N-R19E, Blaine County, Montana, is designated as a 640-acre temporary spacing unit for the Eagle Formation and applicant may drill a well at a location 500' FSL and 300' FEL of said Section 18.

IT IS FURTHER ORDERED that the E½ of Section 17 and the W½ of Section 18, T34N-R19E, Blaine County, Montana, are each designated as 320-acre temporary spacing units and applicant may drill a well in each said temporary spacing unit not closer than 660 feet to the external boundaries of each temporary spacing unit.

IT IS FURTHER ORDERED that applicant apply for permanent spacing within 90 (ninety) days of completion of a successful well in each of said temporary spacing units.

IT IS FURTHER ORDERED THAT a federal communitization agreement for spacing units which contain both federal and non-federal land shall be submitted to the authorized officer of the Bureau of Land Management prior to or upon completion of a producible well.

### BOARD ORDER NO. 26-2002

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 7th day of February, 2002.

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	Gary Willis, Board Member
Terri H. Perrigo, Executive Secretary	_

ORDER NO. 27-2002

IN THE MATTER OF THE APPLICATION OF
J. BURNS BROWN OPERATING COMPANY TO
DRILL AN EAGLE FORMATION GAS WELL IN A
640 ACRE TEMPORARY SPACING UNIT CONSISTING
OF THE E½ OF SECTION 20 AND THE W½ OF SECTION 21,
T34N-R19E, BLAINE COUNTY, MONTANA, NOT LESS
THAN 990 FEET FROM THE EXTERIOR BOUNDARIES
OF SAID TEMPORARY SPACING UNIT AND ALSO
DESIGNATING THE W½ OF SECTION 20, T34N-R19E AND
THE E½ OF SECTION 21, T34N-R19E, BLAINE COUNTY,
MONTANA, AS 320 ACRE TEMPORARY SPACING UNITS
FOR THE EAGLE FORMATION AS EXCEPTIONS TO
A.R.M. 36.22.702.

Docket No. 44-2002

### Report of the Board

The above entitled cause came on regularly for hearing on the 7th day of February, 2002, in the Billings Petroleum Club, Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

#### Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

### <u>Order</u>

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the E½ of Section 20 and the W½ of Section 21, T34N-R19E, Blaine County, Montana, is designated as a 640-acre temporary spacing unit for the Eagle Formation and applicant may drill a well anywhere within said temporary spacing unit not closer than 990 feet to the external boundaries thereof.

IT IS FURTHER ORDERED that the W½ of Section 20 and the E½ of Section 21, T34N-R19E, Blaine County, Montana, are each designated as 320-acre temporary spacing units and applicant may drill a well in each said temporary spacing unit not closer than 660 feet to the external boundaries of each temporary spacing unit.

IT IS FURTHER ORDERED that applicant apply for permanent spacing within ninety (90) days of completion of a successful well in each of said temporary spacing units.

## BOARD ORDER NO. 27-2002

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 7th day of February, 2002.

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Denzii Toung, vice-Chamman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	
	Gary Willis, Board Member
Terri H. Perrigo, Executive Secretary	

IN THE MATTER OF THE APPLICATION OF J. BURNS BROWN OPERATING COMPANY TO DRILL A SECOND EAGLE FORMATION GAS WELL IN SECTION 33, T36N-R18E, BLAINE COUNTY, MONTANA, 1400' FSL AND 2000' FEL OF SAID SECTION 33 AS AN EXCEPTION TO A.R.M. 36.22.702.

ORDER NO. 28-2002

Docket No. 45-2002

#### Report of the Board

The above entitled cause came on regularly for hearing on the 7th day of February, 2002, in the Billings Petroleum Club, Billings, Montana, pursuant to the order of the Board of Oil and Gas Conservation of the State of Montana, hereinafter referred to as the Board. At this time and place testimony was presented, statements and exhibits were received, and the Board then took the cause under advisement; and, the Board having fully considered the testimony, statements and exhibits and all things and matters presented to it for its consideration by all parties in the Docket, and being well and fully advised in the premises, finds and concludes as follows:

#### Findings of Fact

- 1. Due, proper and sufficient notice was published and given of this matter, the hearing hereon, and of the time and place of said hearing, as well as the purpose of said hearing; all parties were afforded opportunity to present evidence, oral and documentary.
- 2. The evidence indicates that granting the application will serve to protect correlative rights and be in the interest of conservation of oil and gas in the State of Montana.

#### Order

IT IS THEREFORE ORDERED by the Board of Oil and Gas Conservation of the State of Montana that the application of J. Burns Brown Operating Company is granted as applied for.

IT IS FURTHER ORDERED that a federal communitization agreement for spacing units which contain both federal and non-federal land shall be submitted to the authorized officer of the Bureau of Land Management prior to or upon completion of a producible well.

## BOARD ORDER NO. 28-2002

Terri H. Perrigo, Executive Secretary

Done and performed by the Board of Oil and Gas Conservation of the State of Montana at Billings, Montana, this 7th day of February, 2002.

	David Ballard, Chairman
	Denzil Young, Vice-Chairman
	Jerry Kennedy, Board Member
	Jack King, Board Member
	Allen Kolstad, Board Member
	Elaine Mitchell, Board Member
ATTEST:	
	Gary Willis, Board Member